



Comptroller of the Currency
Administrator of National Banks

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Chicago, Illinois 60605

PUBLIC DISCLOSURE

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

December 31, 1996

National City Bank of Pennsylvania
Charter Number 23019
20 Stanwix Street
Pittsburgh, PA 15222

NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **National City Bank of Pennsylvania** prepared by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency.

The evaluation represents the OCC's current assessment and rating of the institution's CRA performance based on an examination conducted as of **December 31, 1996**. It does not reflect any CRA-related activities that may have been initiated or discontinued by the institution after the completion of the examination.

The purpose of the Community Reinvestment Act of 1977 (12 U.S.C. 2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with its examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution, and (2) take that record of performance into account when deciding whether to approve an application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require the Agencies to make public certain portions of their CRA performance assessments of financial institutions.

Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based on a review of 12 assessment factors, which are grouped together under 5 performance categories, as detailed in the following section of this evaluation.

ABBREVIATIONS

The following abbreviations are used in this Public Evaluation:

ATM	-	Automated Teller Machine
BNA	-	Block Numbering Area (A subdivision of a county having no census tracts for which no demographic information is available)
CRA	-	Community Reinvestment Act
FHA	-	Federal Housing Authority
FSA	-	Farm Service Administration
HMDA	-	Home Mortgage Disclosure Act
MSA	-	Metropolitan Statistical Area
NCBPA	-	National City Bank of Pennsylvania
NCC	-	National City Corporation
NCCDC	-	National City Community Development Corporation
SBA	-	U.S. Small Business Administration

ASSIGNMENT OF RATING

Identification of Ratings

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

DISCUSSION OF INSTITUTION'S PERFORMANCE

Institution's Rating:

Based on the findings presented below, this institution is rated:

Outstanding record of meeting community credit needs.

Evaluation Period - Under its current structure, no prior public evaluation exists for National City Bank of Pennsylvania (NCBPA). However, a Public Disclosure dated March 7, 1994 was prepared for Integra Bank/Pittsburgh, a state chartered bank and predecessor to NCBPA. A series of mergers and an acquisition dramatically changed the structure of Integra Bank, and resulted in the emergence of NCBPA. As a result of these changes, the current disclosure evaluates NCBPA's performance from January 1, 1995 through December 31, 1996, and does not use 1994 data for comparative purposes.

NCBPA manages its obligations under the Community Reinvestment Act as a distinct legal entity. It does not rely in any fundamental way on the lending activities of affiliated lenders for the evaluation of its performance or for the rating contained in the Performance Evaluation. It does rely on an affiliate, National City Community Development Corporation (NCCDC), for its community development activities discussed in this Performance Evaluation. In addition, during 1995 and the first five months of 1996, NCBPA relied on Integra Mortgage Company for origination of housing related mortgages.

Bank Profile - NCBPA is a wholly-owned subsidiary of National City Corporation (NCC), a multi-bank holding company headquartered in the City of Cleveland, Cuyahoga County, Ohio. NCC operates eleven commercial banks in Ohio, Indiana, Kentucky, and Pennsylvania. As of December 31, 1996, NCC had assets of \$51 billion.

NCBPA is a newly chartered national bank that resulted from NCC's purchase of Integra Financial Corporation, the sole owner of Integra Bank.

NCBPA's primary lending focus is real estate and consumer lending. Its loan to deposit ratio is 83% as of December 31, 1996 versus peer average of 93%.

Table 1 shows pertinent financial information for the period under review.

**Table 1. Year-end Assets, Income, and Return on Assets
\$(millions)**

	1995	1996
# Average Assets	\$14,029	\$13,592
Net Income	\$136	\$157
Return on Average Assets	.97%	1.2%

Source: Consolidated Report of Income and Condition

Community Profile - NCBPA delineates its local community based on geographical boundaries and branch locations. As of December 31, 1996, NCBPA's community delineation includes four Metropolitan Statistical Areas (MSAs) within Pennsylvania: Pittsburgh (6280), Sharon (7610), Erie (2360), and Somerset County located in Johnstown MSA (3680). The remainder of NCBPA's delineated area includes the following counties: Crawford, Lawrence, Greene, Warren, Venango, Forest, Clarion, Armstrong, McKean, Elk, Jefferson, Indiana, Clearfield, and Bedford. Most of NCBPA's delineated area (82%) is located within MSAs.

As of 1990, census MSA median family income for NCBPA's delineated area was \$32,447.

NCBPA's delineated area consists of 904 census tracts and 203 block numbering areas (BNAs). Tables 2 and 3 describe the delineated area.

Table 2. Delineated Area Characteristics

Tract/BNA Characteristics	# of Tracts/BNAs	% of Total Tracts/BNAs	% of Total Population	# of Housing Units
Low- and Moderate-income (<80% of median)	282	26%	20%	341,562
Middle-income (80% to 120%)	602	54%	61%	952,947
Upper-income (>120%)	176	16%	19%	266,976
N/A	47	4%	<1%	172

Source: 1990 U. S. Census

Table 3 shows additional demographic information for NCBPA's delineated community.

Table 3 . Demographic Information for NCBPA's Delineated Community

	Totals
Population	3,657,572
# housing units	1,561,657
# occupied housing units	1,420,127
# owner-occupied housing units	1,014,146

Source: 1990 U.S. Census, MSA demographics

The table shows that NCBPA's delineated community includes a high level (91%) of occupied housing units and a reasonable level (65%) of owner-occupied housing units.

During 1996, the average unemployment rate for NCBPA's delineated area was 6.5%, which exceeds the State of Pennsylvania unemployment rate of 5.3%.

Dominant industries include coal production, service industries, robotics and computer technology, education, and medical facilities.

Competition is primarily provided by two large regional banks.

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

***Assessment Factor A** - Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.*

- **NCBPA has established an effective program of outreach to its local communities, which enables it to be aware of credit needs on an ongoing basis.**

NCBPA demonstrates strong commitment towards ascertaining the credit needs in its communities. Management determines credit needs through a variety of means including a formal calling program, contacts with community group representatives, and market analysis. NCBPA maintains ongoing, meaningful contacts with a wide variety of community representatives.

NCBPA's formal calling program is a major component of its ascertainment process. Loan officers call directly on existing and prospective customers, obtaining information on credit needs and market conditions in the community. Two outreach specialists are dedicated to promoting community development activities and soliciting information specifically from area CDCs and community organizations.

Management receives valuable feedback from officers who are involved in a variety of community organizations. Management also pursues contacts with area realtors and private and non-profit developers. Its extensive network of community contacts and relationships allow for ongoing feedback about community credit needs and marketing of NCBPA products.

Examples of working relationships and contacts include but are not limited to: Pittsburgh Community Reinvestment Group, Mon Valley Initiative, area Chambers of Commerce, and Neighborhood Housing Services.

Through its outreach efforts, NCBPA has identified the following primary credit needs:

- Small Business lending and services
- Availability of financing for home purchase mortgages, affordable to low- and moderate-income borrowers.

NCBPA addresses the credit needs of small businesses through its participation in the Small Business Administration (SBA) program and other government guaranteed programs. The bank offers home purchase mortgage products and Community Development mortgages, which are flexible to fit the needs of the low- and moderate-income borrower.

These programs are addressed in detail under Assessment Factors B and I.

***Assessment Factor C** - The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.*

- **The Board of Directors takes an active role in the formulation of CRA policies and practices.**

CRA is an integral part of the Board and management planning process. A formal, written CRA program exists. This program includes policy statements, goals and objectives for each service area, and a CRA Officer. An effective, annual self-assessment process is in place. The Board and senior management are apprised of the CRA program on an ongoing basis through periodic reports and the self-assessment program.

The Board of Directors has adopted the CRA policy developed by National City Corporation. This policy is then customized to create the bank's CRA program. The Board and Senior management are actively involved in the development of the CRA program through their respective committees, the Board Public Policy Committee and the Management Public Policy Committee. Both committees provide active oversight of the CRA program. The CRA program is reviewed and adopted by the full Board of Directors on an annual basis.

NCBPA is in compliance with the technical requirements of CRA. The current CRA statement was approved by the Board of Directors on July 25, 1996.

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

***Assessment Factor B** - The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.*

- **NCBPA makes a strong effort to ensure that its entire community is aware of the products and services it offers.**

NCBPA develops a formal marketing plan annually. The plan is designed to promote products tailored to meet the particular credit needs ascertained in the community. NCBPA uses a variety of media sources to ensure community awareness of its loan and deposit products.

Primary vehicles used in NCBPA's advertising efforts include: targeted advertisements; involvement in housing expos and community events; direct mailings to realtors, consumers, and small businesses; small business seminars and networking events; small business call program; and the distribution of the National City Bank Community Newsletter.

Marketing is done through the traditional media of newspaper, radio, magazines, publications, television, and billboards, as well as an extensive network of community groups and realtors. Media selection is designed to inform the entire community and does not exclude any low- or moderate-income areas. Both image and targeted methods are used to market NCBPA's products and services throughout the community. Products are also marketed through its extensive branch network, point of sale posters, and alternative delivery vehicles such as Telephone Banking and the Small Business Hotline.

Home Buyer Seminars were offered throughout 1995 and 1996. NCBPA provided mortgage counseling and is a financial partner in several nonprofit credit counseling agencies.

Assessment Factor I - The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans and small business loans.

- **NCBPA’s level of origination of mortgage, home improvement, and small business loans within its community reflects a strong level of responsiveness to identified credit needs.**

NCBPA offers a variety of consumer and commercial loan products to meet identified credit needs. The CRA Statement correctly lists the credit products offered by the bank. These products are readily available throughout the entire delineated community.

- Residential: Purchase money mortgage loans, home improvement, home equity loans, and lines of credit
- Consumer: Installment loans, lines of credit, and credit cards, and education loans
- Commercial: Term loans and lines of credit

NCBPA offered a wide variety of affordable housing products during the review period. These products were designed to meet the need for affordable housing and housing rehabilitation. The programs offered flexible lending criteria, down payment assistance, and/or lower interest rates to qualified applicants.

Table 4 shows the volume of loans made under NCBPA’s affordable housing initiatives. The volume of loans increased during the review period as a result of aggressive use of affordable housing loan products. Affordable loan originations represent over 17% of total home purchase loans made during the review period.

Table 4. Affordable Home Loan Originations

	# of loans	\$(millions)
1995	909	\$44.9
1996*	1,213	\$61.6
Total	2,122	\$106.5

Source: Internal Bank Reports.

*As a result of computer system problems, totals from 1Q96 could were not available, and are not included in these numbers.

Table 5 shows that NCBPA originated a large volume of housing-related loans within its delineated area. These totals include housing related loans originated by both the bank and Integra Mortgage Company. The mortgage company was operable during 1995 and the first five months of 1996. The volume of these types of loans has continued to increase, primarily as a result of the aggressive use of the various affordable loan programs NCBPA offers.

Table 5. Housing-Related Loans in the Delineated Area

	1995		1996	
	#/\$(millions)		#/\$(millions)	
Mortgage	6,367	\$412	6,285	\$367
Home Improvement	3,520	\$40	3,794	\$45
Total	9,887	\$452	10,079	\$412

Source: 1995 and 1996 HMDA-LAR Data

Tables 6 and 7 show NCBPA's lending to small businesses and small farms within its delineated area based on loan size. A small business or small farm is generally defined as one with annual revenue of less than \$1 million. The table shows that (based on number of loans), 79% of NCBPA's small business loans, and 90% of NCBPA's small farm loans are in amounts of less than \$100 thousand. This indicates that NCBPA has shown a willingness to extend small loans to small businesses. Community contacts have indicated that there is a strong need for these types of loans within the local community.

NCBPA has been successful in identifying and meeting small business credit needs, in part because of the formation of its Small Business Lending Group. This area underwrites business loans in amounts of \$250 thousand or less. It also includes a Small Business Resource Group which is responsible for providing technical assistance to small businesses in obtaining SBA and Farm Service Administration (FSA) loans.

Table 6. 1996 Small Business Loan Originations

Loan Amount	# of loans	\$(000)
<\$100 thousand	3,753	\$132,270
>\$100 and <\$250 thousand	631	\$108,510
>\$250 thousand	379	\$189,498
Total	4,763	\$430,278

Source: Internal Bank Reports

Table 7. 1996 Small Farm Loan Originations

Loan Amount	# of loans	\$(000)
<\$100 thousand	187	\$5,075
>\$100 and <\$250 thousand	18	\$2,915
>\$250 thousand	2	\$567
Total	207	\$8,557

Source: Internal Bank Reports

The above table demonstrates the fact that the bank is willing to make small loans to small farms

***Assessment Factor J** - The institution's participation in government insured, guaranteed or subsidized loan programs.*

- **NCBPA actively participates in government guarantee loan programs for affordable housing and small business loans.**

Table 8 details NCBPA's participation in government guarantee loan programs. SBA loan volume has remained strong during the review period. NCBPA continued to be a leader in SBA lending during the review period. NCBPA accounted for 26% of the region's total SBA loan volume and helped to create 464 new jobs and retain 813.

Table 8. Participation in Government Programs

Government Program	1995		1996		Total	
	#	\$(000)	#	\$(000)	#	\$(000)
SBA	172	\$21,217	190	\$21,053	362	\$42,270
FSA	54	\$5,255	64	\$8,046	118	\$13,301
FHA	279	\$3,221	112	\$1,168	391	\$4,389
Loan participations with state, county, and local government entities	42	\$7,845	36	\$14,153	78	\$21,998
Total	547	\$37,538	402	\$44,420	949	\$81,958

Source: Internal Bank Reports

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Reasonableness of Delineated Community

NCBPA's delineated area, as defined previously in the evaluation, is reasonable and does not arbitrarily exclude low- and moderate-income areas.

Assessment Factor E - *The geographic distribution of the institution's credit extensions, credit applications, and credit denials.*

- **The geographic distribution of NCBPA's credit extensions and credit applications is very good. NCBPA has received applications and has extended credit throughout the delineated community.**

Tables 9 thru 14 show the distribution of various residential mortgage products that are reported on Home Mortgage Disclosure Act Loan Application Registers (HMDA-LAR). This data includes both loans originated by the bank and the former Integra Mortgage company.

Market share information is based on number of loans originated by all providers of mortgage products within NCBPA's delineated community. This data is limited to lending activity within MSAs. Comparative data for areas located outside MSAs (about 18% of NCBPA's delineated area) was not available during this examination. Census tract characteristics were identified under the Community Profile section of this report.

Numbers of loans, rather than the dollar amount of those loans, are used for this analysis. They are most meaningful for comparison purposes as they are most indicative of the number of borrowers being served.

Table 9 shows that NCBPA's overall loan distribution within lower income census tracts was better than its distribution within higher income census tracts, and better than NCBPA's overall market share. This was primarily the result of the effectiveness of NCBPA's affordable housing programs, and strong relationships NCBPA lenders have forged with local community development affordable housing groups. NCBPA was a leader in home purchase and home improvement lending in low- and moderate-income census tracts during 1995. Within these tracts, NCBPA held the largest market share among all 353 providers of credit.

Our market share analysis focuses on 1995 data, as 1996 information was not available during this examination.

Table 9. 1995 Market Share by Tract Characteristics

	Low/Mod	Mid	Upper	Total
Purchase Money Applications	21.7%	17.9%	13.3%	17.3%
Purchase Money Loans	19.9%	15.2%	11.3%	14.7%
Home Improvement Applications	17.9%	15.8%	12.6%	15.8%
Home Improvement Loans	21.8%	17.1%	12.7%	17.1%
Total Applications	15.5%	13.9%	11.4%	13.6%
Total Loans	17.7%	13.9%	10.9%	13.7 %

Source: HMDA-LAR

Also considered in this evaluation are the total number of HMDA-reportable loans that NCBPA originated within various census tracts and to borrowers of various income levels. Income levels of borrowers and families are irrespective of where they live within the community. In 1995, this distribution was available only for loans originated within MSAs. NCBPA originated an additional 2,117 loans in counties located within the delineated area, but not in an MSA. These loans are not included in the analysis below. The 1996 tables include all of the delineated community.

Tables 10 thru 13 show a significant level of loan distribution across both census tracts and the income levels of borrowers. The tables indicate the bank is making loans in low/mod areas consistent with the number of housing units available. The tables also indicate that the bank is reasonably serving low/mod individuals as the percentage of loans to these individuals represent 30% (1996) of the HMDA reportable loans with 38% of the families reported to be low/mod.

Table 10. 1995 Loan Originations by Tract Characteristics

	Low/Mod	Mid	Upper	N/A	Total
Number of Loans	1,673	4,395	1,689	13	7,770
% of Loans Originated	22%	57%	22%	<1%	
% of Total Tracts	26%	54%	16%	4%	
% of Housing Units	22%	61%	17%	-	

Source: HMDA-LAR and 1990 census data

Table 11. 1996 Loan Originations by Tract Characteristics

	Low/Mod	Mid	Upper	N/A	Total
Number of Loans	2,198	6,147	1,733	1	10,079
% of Loans Originated	22%	61%	17%	<1%	
% of Total Tracts	26%	54%	16%	4%	
% of Housing Units	22%	61%	17%	-	

Source: HMDA-LAR and 1990 census data

Table 12. 1995 Loan Originations by Borrower Income Characteristics

	Low/Mod	Mid	Upper	N/A	Total
Number of Loans	2,497	2,076	3,092	105	7,770
% of Loans Originated	32%	27%	40%	1%	
% of Families	38%	23%	39%	0%	

Source: HMDA-LAR and 1990 census data

Table 13. 1996 Loan Originations by Borrower Income Characteristics

	Low/Mod	Mid	Upper	N/A	Total
Number of Loans	2,993	2,707	4,232	147	10,079
% of Loans Originated	30%	27%	42%	1%	
% of Families	38%	23%	39%	0%	

Source: HMDA-LAR and 1990 census data

NCBPA performs a distribution analysis of its consumer deposit and loan portfolios among various census tracts. Table 14 shows the results of the distribution analysis for 1996. The table shows the number of accounts and the percentage of total accounts, and shows that the distribution of loans is comparable to the distribution of deposits.. The analysis is based on loans outstanding as of year-end 1996, and does not reflect loans that may have been sold to third parties.

Table 14. 1996 Tract Distribution Analysis

	Low/Mod		Mid		Upper	
	#	%	#	%	#	%
CONSUMER DEPOSITS	242,169	21%	674,836	58%	254,603	22%
Consumer Mortgage Loans	8,814	17%	30,322	57%	13,895	26%
Other Consumer Loans	64,881	18%	222,447	62%	72,395	20%
TOTAL CONSUMER LOANS	73,695	18%	252,769	61%	86,290	21%

Source: Internal Bank Reports

Assessment Factor G - *The institution's record of opening and closing offices and providing services at offices.*

- **NCBPA's branch offices are reasonably accessible and have a good record of providing services to all segments of the community.**

NCBPA has 264 full service offices located throughout the community. One hundred and ninety-three of these offices have ATMs and 166 have drive-in service. There are 11 separate drive-in facilities and 87 freestanding ATM stations. Seventy-one offices are located in low- and moderate-income census tracts. Most offices are open six days per week, with extended hours on Friday and limited hours on Saturday. Six offices also have Sunday hours.

During the review period, the bank closed thirteen offices, opened seven and acquired two. The closing of five offices was the result of acquisition of branches that were in close proximity to existing facilities. One of these offices was located in a low- and moderate-income area. One drive-in office in a low- and moderate-income census tract was closed, and customer accounts were transferred to a nearby drive-in office. NCBPA is currently operating under NCC's branch closing policy.

NCBPA's record of closing offices has not had an adverse impact on its local community.

New offices were opened in Beaver Falls, Bridgeville, McMurray, Pittsburgh, and Indiana, Pennsylvania. Three of the offices were located in low- and moderate-income census tracts in high traffic areas: a Rite-Aid drug store, a shopping mall, and the downtown business district.

NCBPA offers a low cost lifeline checking product for customers with limited banking needs. As of December 31, 1996, NCBPA had 67,987 of these accounts opened, with an average balance of \$566. Twenty-seven percent of these accounts were held by individuals living in low- and moderate-income areas.

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

***Assessment Factor D** - Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).*

- **NCBPA does not discourage credit applicants on a prohibited basis.**

NCBPA affirmatively solicits credit applications from all segments of its community, including low- and moderate-income areas. Policies, procedures and training promote fair lending. NCBPA's policy on non-discrimination in lending states that NCBPA is committed to full compliance with the letter and the spirit of all regulations governing fair lending.

Training in fair lending laws and principles is provided to all applicable employees. NCBPA has implemented procedures, such as second review of denied loan applications, in order to detect and address potential discriminatory practices.

***Assessment Factor F** - Evidence of prohibited discriminatory or other illegal credit practices.*

- **NCBPA is in compliance with fair lending and fair housing laws and regulations. No substantive violations or illegal practices were noted.**

Our examination included testing for compliance with the Equal Credit Opportunity Act and the Fair Housing Act. We performed a review of direct home improvement loan applications, testing for illegal discrimination based on race of the applicant. We compared a sample of denied applications from black applicants to a sample of approved applications from white applicants, testing for non-discriminatory application of the bank's credit scoring system. All of these loan applications were received by NCBPA during 1996. Our review found no evidence of illegal discrimination.

Our review also included a sample of loans originated by Altegra, a finance company which is a subsidiary of NCBPA. The sample consisted of all of the refinance applications received from the Pittsburgh MSA during the second half of 1996. The sample consisted of denied black applicants and approved white applicants. Since all of the denials were based on credit history, we used this as our comparative indicator. We found no cases of illegal discrimination.

V. COMMUNITY DEVELOPMENT

Assessment Factor H - *The institution's participation, including investments, in local community development and redevelopment projects or programs.*

- **NCBPA actively participates in community development projects through its community development affiliate, NCCDC. In addition, NCBPA is aggressive in extending loans and making investments and donations to a variety of individuals and community groups that provide community development services to low- and moderate-income persons.**

During the review period, NCCDC financed, or approved financing for, projects totaling nearly \$6 million. These projects are described in Table 15. Data is derived from internal reports submitted by bank management.

Table 15. NCCDC Community Development Projects

Project Description	Equity(E) or Tax Credit (T)
Construct 43 apartment units for low-income senior citizens in Canonsburg, PA.	\$484,650 (T)
Rehab 42 apartment units for low- and moderate-income senior citizens in Charlerot, PA.	\$423,882 (T)
Construct nine townhomes for sale to low- and moderate-income persons in Rankin, PA.	\$200,000 (E)
Construct 12 housing units for sale to low- and moderate-income persons in Pittsburgh, PA.	\$300,000 (E)
Construct 89 apartment units for low-income senior citizens in State College, PA.	\$1,160,000 (T)
Rehab 65 apartment units for low- and moderate-income senior citizens in Washington, PA.	\$306,256 (T)
Construct 39 apartment units and six stores for low- and moderate-income senior citizens in Dubois, PA.	\$487,500 (T)
Rehab 20 rental units for low- and moderate-income persons hoping to become homeowners in Swissvale, PA.	\$131,000 (T)
Construct 32 apartment units for low-income elderly in St. Marys, PA.	\$328,000 (T)

Project Description	Equity(E) or Tax Credit (T)
Construct a 3-story building, and 36 apartment units for low- and moderate-income senior citizens in Farrell, PA.	\$610,000 (T)
Invest in group that acquires and rehabs low-income housing development projects in and around Pittsburgh, PA.	\$500,000 (T)
Purchase and develop eight units of low- and moderate-income multi-family housing in Erie, PA.	\$350,000 (T)
Construct 42 apartment units for low- and moderate-income senior citizens in Meadville, PA.	\$333,333 (T)
Purchase and rehab 11 efficiency units for low-income persons in Meadville, PA.	\$156,000 (T)
Construction of 36 apartment units for low- and moderate-income senior citizens in Uniontown, PA.	\$613,500 (T)
Rehab seven residential properties for purchase by low- and moderate-income persons in Pittsburgh, PA.	\$74,500 (E)
Total	\$6,458,621

During the review period, NCBPA loaned or donated funds to individuals or groups for community development purposes which totaled approximately \$25 million. These projects are described in Table 16.

Table 16. NCBPA Community Development Projects

Project Description	Loan (L) Investment (I), or Donation (D)
NCBPA made 51 loans that met the definition of community development. Some of the largest loans were made to the following: Affordable housing development projects; Job creation projects targeted to low-income persons; and Target area re-development projects.	\$13,937,896 (L)
NCBPA invested in a variety of municipal bonds within its local community. These municipal bonds were purchased for projects that primarily benefited low- or moderate-income persons. Some of the largest investments were made to the following: Butler, PA Area School District; Farrell, PA Area School District; and North Fayette County, PA Municipal Authority.	\$9,760,000 (I)
NCBPA has made donations to a variety of groups that provide either temporary housing, home improvements, or financial counseling services to low- and moderate-income persons. Some of the largest groups include: Union City Senior Citizens Cooperative; Crawford County Development Corporation; Eastside Neighborhood Employment Center; Homestead Unemployed Center, Inc.; and Pittsburgh Partnership - Neighborhood Development.	\$957,674 (D)
Total	\$24,655,570

Source: Internal Bank Reports

Assessment Factor K - *The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.*

- There are no financial impediments which inhibit NCBPA’s efforts to help meet the credit needs of its delineated community.

NCBPA participates in CRA activities commensurate with its size and financial capacity. The Community and Bank profiles detailed earlier provide further information on the financial trends of the institution and the local economy.

Assessment Factor L - *Any other factors that, in the regulatory authority’s judgement, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.*

- **None Noted.**